



**Kalanjiyam (IFHRMS
2.0)**

**Income Tax - Auto
calculation interface**

Automatic Income Tax calculation

1. Income Tax deduction as per IT act 1961:

- The amount of total tax payable should be deducted every month in equal installments. Any excess or deficit arising out of any previous deduction can be adjusted by increasing or decreasing the amount of subsequent deductions during the same financial year.

2. Importance of Monthly deduction:

- a) Prorata regular deduction.
- b) Hassle free during year end.
- c) No need to pay Income Tax through challan.
- d) No fine/ penalty for short deduction of tax to IT(by employees & DDOs).

Automatic Income Tax calculation

3. DDOs to ensure the following key pre-requisite for IT calculation:

a) PAN is mandatory for the employees with Taxable income.

Taxable Income

Old Regime above – **Rs.2,50,000**

New Regime above – **Rs.3,00,000**

Tax rebate is applicable upto i) Rs.5,00,000 (Rs.12,500)

ii) Rs.7,00,000(Rs.25,000)

b) **Default Regime is New:** Those who opt out the new regime should exercise 'Old Regime' through the Kalanjiyam Mobile Application/ Web Portal.

Automatic Income Tax calculation

3. DDOs to ensure the following key pre-requisite for IT calculation:

- c) In case of 'Old Regime' the following needs to be followed:
 - i. Projection of savings/Investment plan to be declared through portal.
 - ii. No need for any proof now. Just declaration of estimation is enough.
 - iii. The proofs are to be submitted only in 'December 2024' for actual calculation.

- d) The updation of PAN & exercising IT regime can be done by employees (through Kalanjyam Mobile Application/ Self Service portal) well as by DDOs through their login on behalf of employees/pensioners.

- e) The status of 'PAN /No PAN cases' & 'Regime – New/Old/Not declared' is available for DDOs

Automatic Income Tax calculation

4. For the current month, alternative mechanism adopted to handle:

- i. No PAN cases (under Taxable limit)
- ii. Old regime without the saving plan.

However, for next month these two activities need to be completed.

5. Deduction Under section 80U as been enabled at Employee Self service page for Disability persons.

Navigation : Employee self service—> Others—> Disability Entry

6. Gross Salary includes the arrear received during this Financial Year 2024-25.

Hence, on arrear payment, the TDS at respective rate need to be deducted (only 10% is deducted by DDOs in general so far – this may lead to negative net income).

Automatic Income Tax calculation

7. Auto Fetch from Salary :

- a) GPF/CPS/AISPF/NPS.
- b) FBF/FSF/SPF.
- c) NHIS.
- d) PLI.
- e) Professional Tax.
- f) 80 G Donation through salary(if any)

But HBA(principal) will be taken only after declaring loan details in portal.

8.Exemption given:

- a) Family Pensioners.
- b) Nuns/Priests/Brothers.
- c) Medalists.

Necessary exemption has been made in the software to disburse the salary / pension without insisting the IT declaration.

Automatic Income Tax calculation

9. It may noted that every month before payroll run the

- i. Option to swap regime is not allowed in the same financial year for TDS. However, it can be changed during e-filing.
- ii. Option to declare Savings plan(under old) will be available for both old and new regime .

10. The tax will automatically revised & calculated for the remaining months.

11. Corrections done / Bugs fixed so far:

- i. IT & Cess calculation.
- ii. Employees/ Pensioners below tax bracket considered.
- iii. Reduced Pension alone taken for IT calculation.
- iv. Arrear salary paid in march wrongly included in income issue – Fixed.

12. Projection report is available for employees:

Login → e-Services → Finance → Payroll → Reports → IT projection report

Thank You